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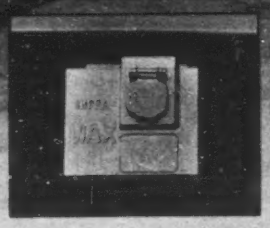

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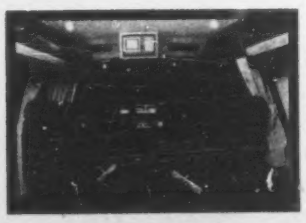

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IMPORT REGISTRATION SHARES IN U. S.

	APRIL					FIVE MONTHS				
	Regis., April, 1983	Percent Share of Market	Regis., April, 1982	Percent Share of Market	Pct. Pt. Change '82 vs. '81	Regis., 5 mos., 1983	Percent Share of Market	Regis., 5 mos., 1982	Percent Share of Market	Pct. Pt. Change '82 vs. '81
Nissan	43,870	21.07	36,221	19.45	+ 1.62	169,198	21.17	158,519	23.16	— 1.99
Toyota	42,702	20.51	44,399	23.84	— 3.33	165,183	20.67	128,102	18.71	+ 1.96
Honda	29,188	14.02	29,476	15.83	— 1.81	117,019	14.64	117,683	17.19	— 2.55
Mazda	15,490	7.44	12,916	6.93	+ 0.51	55.885	6.99	46.158	6.74	+ 0.25
Subaru	11,873	5.70	11,397	6.12	— 0.42	45,847	5.74	44,730	6.58	— 0.84
Alliance	11,422	5.49	.....	.....	.....	44,703	5.59	.....	.....	.....
VW	11,018	5.29	13,194	7.08	— 1.79	44,221	5.53	48,315	7.06	— 1.53
Volvo	7,863	3.78	6,573	3.53	+ 0.25	27,368	3.53	22,358	3.27	+ 0.16
Mercedes	5,837	2.80	5,722	3.07	— 0.27	22,011	2.75	20,504	3.00	— 0.25
BMW	3,835	1.84	4,123	2.21	— 0.37	17,614	2.20	14,897	2.18	+ 0.02
Audi	.....	.....	3,733	2.00	.....	.....	.....	14,344	2.09	.....
Others	25,112	12.06	18,507	9.94	+ 2.12	90,223	11.29	68,924	10.07	+ 1.22
TOTAL	208,211		186,261			799,272		684,534		
Share of U. S. Total		28.58		27.71	+ 0.87		30.54		29.09	+ 1.45

Registrations for Oklahoma not available.

April share of registrations is 28.58 pct.

Import penetration rises for month

By Jenny L. King
Staff Writer

New imported-car registrations accounted for a greater share of the total market this April than they did a year ago, but they fell short of the record 30.33 percent posted in 1981. Year-to-date penetration was up from 1982, to 30.54 percent from 29.09 percent.

According to figures compiled by R. L. Polk & Co., April registrations for imports numbered 208,211, up 11.78 percent from 186,261 a year earlier. They represented 28.58 percent of the market compared with 27.71 percent in 1982. Record penetration for the month was 30.33 percent notched in 1981.

In the first four months of 1983, 799,272 new imported cars were recorded, up 16.76 percent from 684,534 in 1982. They represented 30.54 percent of the market compared with 29.09 percent in 1982.

U. S.-built Volkswagen Rabbits, Honda Accords and Renault Alliances are counted as imports by Polk and they constitute a new category for country of origin: United States.

Again in April, as it had in March, Nissan edged out Toyota to become the top-registered import and was up 1.62 percentage points, to 21.07 percent from 19.45 percent last year. Second-place Toyota dropped 3.33 percentage points, to 20.51 percent from 23.84 percent.

Honda remained third, but dipped 1.81 percentage points, to 14.02 percent from 15.83 percent. Mazda took fourth place from Volkswagen and was up 0.51 percent. Subaru was fifth, followed by Alliance and then VW. Eighth-place Volvo was up 0.25 percentage points, Mercedes was ninth and BMW tenth.

Those top 10 imports had 87.94 percent of the import total, leaving the remaining 12.06 percent to "others." A year earlier, others claimed 9.94 percent and the top 10 had 90.06 percent.

During the first four months, Toyota slipped 1.99 percentage points from last year, Nissan was up 1.96 points and Honda fell 2.55 points. Mazda gained 0.25 percentage points, Subaru was off 0.84 points, VW was down 1.53 points and Volvo climbed 0.16 percentage points.

Mercedes was off 0.25 percentage points from 1982, BMW was up 0.02 percentage points and others were up 1.22 percentage points, to 11.29 percent from 10.07 percent.

The Japanese share of the import market slipped to 73.02 percent from 76.85 percent in April. German-built cars claimed 9.36 percent this year, versus 10.07 percent in 1982. U. S.-built imports accounted for 9.44 percent compared with 4.88 percent, and cars from Sweden had 4.92 percent, up from 4.32 percent.

• Imports from the various countries were as follows:

	April, 1983	April, 1982
Japan	152,026	143,141
West Germany	20,057	18,764
United States	19,645	9,093
Sweden	10,252	8,054
France	3,871	4,445
Great Britain	1,325	801
Italy	996	1,725
Ireland	39	238

Registrations by country of origin January through April, 1983 vs. 1981, were:

	4 mos., 1983	4 mos., 1982
Japan	589,894	530,447
West Germany	79,585	69,689
United States	73,340	32,293
Sweden	35,211	27,515
France	13,515	15,057
Great Britain	4,324	2,556
Italy	3,223	5,797
Ireland	180	1,180

New imported truck registrations rose 3.31 percent in April, to 36,677 from 35,503. The by-maker breakout was:

	April, 1983	April, 1982
Toyota	12,930	12,030
Nissan	9,893	8,269
Mazda	5,932	3,152
Dodge Ram 50	2,019	2,477
Others	5,903	9,575
Total	36,677	35,503

Year-to-date, imported trucks were up 1.77 percent, to 139,048 from 136,628. Totals were:

	4 mos., 1983	4 mos., 1982
Toyota	46,138	42,728
Nissan	35,204	30,313
Mazda	19,607	.....
Dodge Ram 50	8,254	12,035
Ford Courier	.....	12,183
Others	29,845	39,369
Total	139,048	136,628

NADA notes rise in dealers using Sales Trak plan

WASHINGTON. — The 1983 NADA Sales Trak dealer participation rate is running 30 percent higher than the 1982 rate, according to Steve Wancik, NADA Sales Trak manager.

Holding four workshop meetings in four cities per month, the Sales Trak program recently completed two workshop meeting series. Approximately 50 dealers not currently participating in the Sales Trak program attended each workshop.

"The May and June workshops were successful because dealers are beginning to see the light at the end of the tunnel. They are now prepared to involve themselves in ways to improve and exploit the upturning market," Wancik said.

Originated in 1975, the Sales Trak program is a management tool for control.

The four-step program consists of a Prospecting System, Floor Traffic Control, Prospect Follow-Up and Owner Follow-Up.

Ohio dealer group honors Kyger family

OXFORD, O. — During the Ohio Automobile Dealers Assn.'s 50th annual convention, George F. Kyger and Frank Kyger, of George F. Kyger & Sons (Chrysler-Plymouth-Dodge), were given the Half-Century Club Award.

This award is given to dealerships which have held a new-car or truck franchise continuously in the same family for 50 years.

Century Subaru opens

VERNON, Conn.—Century Subaru, Inc., has opened here. Michael Ferranti is president.

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On stopping-distance data

NHTSA willing to ease brake rule

WASHINGTON. –In response to a request from General Motors, NHTSA has tentatively decided that brake stopping distance need not be provided to car buyers at the time of delivery, but it should be made available to dealers and NHTSA so prospective buyers who wish to have the information may obtain it.

Using information provided by GM, NHTSA estimated that if the proposal is adopted, the auto industry would save more than $1 million a year. Closing date for comments is mid-August.

The consumer information for cars and motorcycles is obtained by the manufacturers when they test for compliance with Standard 105.

GM said the data is not really used by consumers; it does not provide a meaningful comparison among vehicles; it may be misleading, and disseminating it is an unnecessary economic burden on the maker.

GM provided a survey of 162 of its dealers. Of these, 140 said no consumer had ever asked for the information and the other 22 had received an average of five requests each. Moreover, said GM, because of the severity of the standard, most vehicles are going to read out as near the maximum allowable distance — so the information is not really useful to car buyers.

But because GM did petition, NHTSA made its own investigation and discovered that both Ford Motor Co. and Chrysler Corp. reported that all their domestic cars stopped at exactly the distance set by the standard, but GM reported that a typical domestic GM model needs 5 percent less distance in which to stop.

Said NHTSA, "Information like this could be useful to consumers."

In addition, NHTSA found wide variations in reported stopping distances — from 136.7 feet to 194 feet, a range of 30 percent. There was also "some significant variations in reported stopping distances" among comparable models.

So, even though there was the tight grouping around the maximum reported by GM, there were also noticeable differences for 1982 models.

NHTSA said it wants to know if there is a better way to ensure brake effectiveness for subsequent buyers. The current practice of using the owner's manual or using a separate pamphlet works only if that is passed along.

A better way might be to include it on a sticker permanently attached — inside the glove compartment or on the door post — and the agency would like to have comments on that suggestion and any others.

Providing dealers and NHTSA with the data—using an extrapolation of GM costs — means only 3 cents a car in an 8 million car year, NHTSA said.

New York dealers to build new quarters

NEW YORK. — The Greater New York Automobile Dealers Assn. has purchased property in College Point in Queens for a new headquarters building.

The building will be the Whitestone Expressway service road at 20th Ave., just off the Whitestone Bridge. Construction is scheduled to begin this fall and to be completed about a year later.

Rochester dealers elect officers

Officers of the Rochester (N. Y.) Auto Dealers Assn., are, from left: Edison Paxton, president; Michael Piehler, vice president; Arnold Brooker, treasurer; William Gordon, immediate past president, and Patrick Cortese, secretary.

factories list auction dates

American Motors

July 6—Southern Auto Auction, Warehouse Point, Conn.; Kansas City Auto Auction, Kansas City, Mo.; Metro Milwaukee Auto Auction, Caledonia, Wis., and Columbus Fair Auto Auction, Obetz, O.

July 7—Todd Auto Auction, Telford, Pa., and Minneapolis Northstar Auto Auction, Shakopee, Minn.

July 8—Concord Auto Auction, Acton, Mass.

July 12—Aptco Auto Auction, Taylor, Mich., and D-A Auto Auction, New Stanton, Pa.

July 13—Central States Auto Auction, Mason City, Ia., and Columbus Fair Auto Auction, Obetz, O.

July 14—Evansville Auto Auction, Evansville, Ind., and Minneapolis Northstar Auto Auction, Shakopee, Minn.

July 15—Floyd Hauhe Auto Auction, Bridgeton, Mo.

July 19—D-A Auto Auction, New Stanton, Pa.

July 20—Southern Auto Auction, Warehouse Point, Conn.; Kansas City Auto Auction, Kansas City, Mo.; Metro Milwaukee Auto Auction, Caledonia, Wis., and Columbus Fair Auto Auction, Obetz, O.

July 21—Todd Auto Auction, Telford, Pa., and Minneapolis Northstar Auto Auction, Shakopee, Minn.

July 22—Concord Auto Auction, Acton, Mass.

July 26—Aptco Auto Auction, Taylor, Mich., and D-A Auto Auction, New Stanton, Pa.

July 27—Central States Auto Auction, Mason City, Ia.; Columbus Fair Auto Auction, Obetz, O., and Southern Auto Auction, Warehouse Point, Conn.

July 28—Evansville Auto Auction. Evansville, Ind., and Minneapolis Northstar Auto Auction, Shakopee, Minn.

July 29—Floyd Hauhe Auto Auction, Bridgeton, Mo.

Chrysler Corp.

July 12—Aptco Auto Auction, Taylor, Mich.

July 14—Clanton's Auto Auction, Darlington, S. C.

Ford Motor Co.

July 12—Arena Auto Auction, Chicago, Ill.

July 13—Metro Auto Auction of Kansas City, Lee's Summit, Mo., and Golden Gate Auto Auction, Fremont, Calif.

July 14 — Skyline Auto Exchange, Fairfield, N. J.

July 19 — Harrisonburg Auto Auction, Harrisonburg, Va.

July 20—Columbus Fair Auto Auction, Obetz, O., and Minneapolis Northstar Auto Auction, Shakopee, Minn.

July 27—Concord Auto Auction, Acton, Mass.; Lakeland Auto Auction, Lakeland, Fla., and Southern California Auto Auction, Fontana, Calif.

July 28 — 166 Auto Auction, Springfield, Mo.

General Motors

July 7—Aptco Auto Auction, Taylor, Mich.

July 12 — Minneapolis Northstar Auto Auction, Shakopee, Minn.

July 14—Butler Auto Auction, Gibsonia, Pa.

July 18 — Florida Auto Auction of Orlando, Orlando, Fla.

July 20 — Golden Gate Auto Auction, Fremont, Calif.

July 21—Dallas Auto Auction, Dallas, Tex., and Indianapolis Auto Auction, Indianapolis, Ind.

July 27—Metro Auto Auction, Kansas City, Mo.

Model breakdown

Auction Averages

	JUNE	MAY	APRIL
1983	$10,012	$10,203	$8,595
1982	8,070	8,011	8,142
1981	6,142	6,258	6,140
1980	4,906	5,198	5,342
1979	4,644	4,630	4,498
1978	3,475	3,444	3,511
1977	2,779	2,705	2,828
1976	1,877	2,199	2,012
Overall Average	$ 5,138	$ 5,173	$5,069

Used Car Sales

Auction Averages

June	$5,138
Month ago	$4,999
Year ago	$4,776

2nd co-defendent in DeLorean case pleads guilty

LOS ANGELES.—Former automaker John Z. DeLorean will be facing cocaine-trafficking charges alone when his trial begins here Oct. 4, following a plea change by the second of his two co-defendants.

Stephen Lee Arrington, who was arrested with DeLorean and William M. Hetrick last October in a government sting operation, pleaded guilty to two cocaine charges June 24 and faces a maximum of 30 years in jail and $50,000 in fines.

Judge Robert M. Tagasuki set sentencing of Arrington for Aug. 25. Hetrick changed his plea from innocent to guilty on June 13. He is to be sentenced Oct. 31.

Arrington was arrested when he allegedly delivered 25 kilograms of cocaine to federal undercover agents. In return for his guilty plea, the government dropped a third drug-trafficking charge against Arrington.

Unlike Hetrick, who has agreed to testify against DeLorean and others in unrelated drug cases as part of his plea bargain, Arrington will not testify against DeLorean.

Larsen new president of Oregon dealers

PORTLAND, Ore. — Allan Larsen, Larsen Motor Co., McMinnville, has been elected president of the Oregon Automobile Dealers Assn.

Also elected were Ray Hayden, Hayden Motor Co., Newport, vice president; Bud Betz, Betz Chevrolet-Pontiac-Oldsmobile, Cottage Grove, secretary, and Buzz Braley, Braley & Graham Buick, Portland, treasurer.

DeLorean wins time to try to reorganize his auto firm

Continued from Page 1

closing was tentatively scheduled for July 1, which prompted the creditors committee to seek impressment of the proceeds.

Earlier, DeLorean was close to a $10 million sale to Austrian manufacturer, Steyr - Daimler - Puch AG, and also had negotiated with Canadian snowmobile maker Bombardier, Ltd., as well as a Logan management group.

• Howard Weitzman, one of DeLorean's attorneys in the federal drug-trafficking case in Los Angeles, appeared in Bankruptcy Court last week. He said there is "no hard evidence" linking the missing money to John DeLorean. He also argued that freezing the proceeds of the Logan sale might abort it by scaring off a lender.

After the ruling, Weitzman said a portion of the receipts would be used by DeLorean for his defense in Los Angeles and that "he wanted a portion of this to put back in the car company."

Weitzman said allegations that DeLorean had taken the missing money were "outrageous" and were designed to "divert attention from the misconduct" of the London-based receivers of the defunct Northern Ireland factory.

"Their primary goal seems to be to attack John DeLorean personally," he said.

The DMC effort to remove Audio Systems, Inc., from the creditors committee involves the ASI suit in U. S. District Court for the Southern District of New York.

In that suit, against John Z. DeLorean, Roy S. Nesseth, former DMC board member Cristina DeLorean, DeLorean Mfg. Co., Cristina Corp., and former DMC officials Thomas W. Kimmerly, James H. Season and George J. Hayward, ASI is seeking additional damages based on the Racketeer Influenced and Corrupt Organizations Act.

The $5 million ASI suit charges the defendants with various acts of fraud in their relationship with the supplier. The ASI suit charges racketeering in wire fraud, bankruptcy fraud, mail fraud and securities fraud.

In another separate action, attorneys for the bankrupt DMC filed suit in U. S. District Court in Detroit, seeking to recover damages from Consolidated International, Inc., which acquired the remaining stock of DMC cars late last year pursuant to an earlier loan agreement.

Rockwell heads group bidding for AM General

Continued from Page 2

working on its plan to buy AM General for about eight months and included as much of the division's top management as Securities and Exchange Commission rules allow, he said.

Both the Cyprus and Hyde-Murphy deals are leveraged buyouts, which would borrow against the assets of AM General to finance the purchase.

AMC announced in March it was willing to sell AM General as part of a financial restructuring to raise money for its future product lines. The announcement came the day after the government awarded AM General a contract for potentially $1.2 billion for its Hummer land vehicle.

• That contract could make AM General South Bend's first or second largest employer, banker Murphy said, and is the reason for the local support. His group plans to keep top management, sales and engineering operations in Detroit.

AM General would be the largest acquisition by Cyprus, which last week acquired a computer hardware company and another company that has developed a laser wastewater treatment system.

Rockwell and a group of investors acquired control of Cyprus in 1981 and moved it to Pittsburgh as a publicly traded closed-end investment company. It will become an operating company if the bid for AM General is successful.

Saab names Rossi

ORANGE, Conn. — Steven Rossi has been promoted to product development compliance manager for Saab-Scania of America. He previously was market adaption certification engineer.

6-month total is 3,293,508

1st-half auto production up 23 pct.

By Mary Beth Mayer
Staff Writer

U. S. car production for the first six months of this year is estimated at 3,293,508, leading the year-ago total of 2,660,041 by 23.81 percent.

Output last week was slated at 136,732, down 10.52 percent from 152,810 the previous week, but up 12.46 from 121,578 built in the year-ago period.

Breakdown for the week by company was: General Motors, 52.88 percent; Ford Motor Co., 23.19 percent; Chrysler Corp., 11.26 percent; Volkswagen of America, 1.72 percent, and Honda, 0.95 percent. American Motors did not produce any Renault Alliances last week.

AMC closed its Kenosha plant last Monday (June 27) to begin a summer vacation, and will reopen it July 12. Ford's Edison (N. J.) plant closed last week to begin a three-week vacation.

Also closed was Chrysler's St. Louis plant, which is preparing for the launch of the 1984 front-wheel-drive, two-door models, including the Chrysler Laser and Dodge Daytona. The facility is slated to return July 18.

Chrysler's Belvidere, Jefferson and Newark points worked two daily nine-hour shifts last week.

Ford plants working daily overtime were: Chicago, St. Louis and Wixom. All Ford plants begin a two-week vacation today (July 4).

None of the auto makers posted Saturday overtime because of the holiday weekend.

All U. S. car facilities will be idle today in observance of Independence Day.

Labor group cheers Iacocca as he tees off on Reagan

DETROIT. — Labor and management in the U. S. have long been in an adversarial position, but this was certainly not the case last week when Chrysler Chairman Lee Iacocca spoke before the Michigan AFL-CIO convention.

Delegates hung on Iacocca's every word and interrupted him repeatedly with cheers and applause as he blasted the Reagan Administration's economic policies, particularly its approach to trade with Japan.

Iacocca brought the delegates to their feet when he defined "trickle-down economics" as meaning that "when tax laws are changed to benefit David Rockefeller, eventually some of it trickles down to Jay Rockefeller."

He said that while European countries are limiting Japanese car and truck imports, the U. S. government paid no attention when Japan took 22 percent of the U. S. car market.

The U. S. trade deficit with Japan, Iacocca said, is $13 billion on vehicles alone, which he said translates into a loss in the U. S. of 600,000 to 700,000 jobs.

"Those jobs were lost to a country that simply does not play fair when it comes to world trade," he said.

• Iacocca was the first top management official to speak at a Michigan AFL-CIO convention in the organization's 25-year history. His comments had even more impact because he did not speak in the usual labor rhetoric of "sock it to the boss." After all, for many union members, he is the boss.

Iacocca said Washington policies encourage businesses to use their money for acquiring other companies or to simply put it in the money markets, rather than invest in capital equipment which would create jobs and modernize our industries.

He again urged an increase in the gasoline tax, which he said would encourage conservation and would also raise money which could be used to repair roads, bridges, water and sewer systems and dams.

"My advice right now is don't build a house downstream," he said.

And the delegates roared their approval when, after reviewing U. S. trade policies, Iacocca asked. "When is this government going to wake up?"

Iacocca was followed by a more traditional labor convention speaker, Michigan Democratic Senator Carl Levin. Levin also attacked the Reagan Administration and the delegates liked what he said.

But he had clearly been upstaged by management.

New Hampshire adopts child-restraint law

CONCORD, N. H. — A new child-restraint law is in effect for New Hampshire, requiring children up to age five to be restrained either in car seats or seat belts.

Violation means a $30 fine, which can be waived by a judge who is shown proof that the offender has purchased a seat and plans immediate use.

Truck output up nearly 10 pct. for first half

Domestic truck production for the first half of 1983 is estimated at 1,141,713, topping the year-ago output of 1,039,218 by 9.86 percent.

Last week, the truck makers scheduled 46,593 units, down 13.53 percent from 53,883 built the previous week. The total was also down slightly from the 46,834 units assembled in the year-ago period.

American Motors' Toledo plant closed last Monday (June 27) to begin a summer vacation and is slated to return July 11.

Chrysler Corp.'s Warren point worked daily overtime last week.

Overtime was also scheduled at Ford Motor Co.'s Kansas City, Lorain, Louisville, Twin Cities and Wayne points. All Ford plants begin a two-week vacation today (July 4).

All U. S. truck facilities will be idle today in observance of Independence Day.

Canadian holiday cuts production of cars, trucks

Holiday downtime last Friday (July 1) dragged last week's Canadian auto production down 19.39 percent from the previous week's total, but output for the year-to-date remained above that of the comparable 1982 period.

The auto makers scheduled 17,773 units during four days of production last week, down from 22,048 units finished during five days the previous week but up 43.56 percent from 12,380 in the comparable week last year.

So far this year, the car manufacturers have finished 533,201 units, a 10.63 percent gain from 481,947 built in the year-ago period.

Last week's truck production, also for four days, was estimated at 9,013 units, down 25.87 percent from the previous week's 12,158. Output jumped 28.24 percent from 7,028 units built the same week last year.

Year-to-date, the truck makers have completed 274,942 units, down 3.51 percent from 284,948 built in the same 1982 period.

AMC's Brampton plant remained closed last week for a month-long summer break and is slated to reopen July 18.

Chrysler Canada's Windsor car plant is being retooled for assembly of the 1984 front-drive T-115 van/wagons scheduled to begin in October.

International Harvester's Chatham and Vancouver facilities remained closed for model changeover. Operations there, idled May 23, are scheduled to resume July 25.

U. S. CAR PRODUCTION

	Week Ended July 2, 1983	Week Ended July 3, 1982	Week Ended June 25, 1983	June Est.	Jan. 1 to July 3, 1982	Jan. 1 to July 2, 1983
AMERICAN MOTORS	.....	1,600*	4,362	16,125	28,899	89,855
AMC Total	.....	1,600*	.....	.....	28,899	4,071
Concord	.....	.....	.....	.....	.....	3
Eagle	.....	.....	.....	.....	.....	4,068
Renault Total	.....	.....	4,362	16,125	.....	85,784
Alliance	.....	.....	4,362	16,125	.....	85,784
CHRYSLER CORP.	15,400	15,640	18,527	79,325	315,926	438,087
Plymouth Total	6,000	5,930	6,612	26,728	129,085	156,233
Horizon	2,500	2,223	2,550	10,734	40,257	54,863
Reliant	3,400	3,707	3,925	14,275	88,828	98,461
Caravelle ('83)	100	.....	137	719	.....	2,909
Chrysler Total	2,800	3,435	3,919	18,715	62,239	105,720
LeBaron	800	3,435	958	7,329	62,239	48,732
Chrysler E-Class	2,000	.....	2,961	11,386	.....	56,938
Dodge Total	6,600	6,275	7,996	33,882	124,602	176,134
Omni	3,000	2,457	3,804	13,632	38,127	62,712
Aries	2,500	2,882	2,446	13,008	68,250	73,887
Dodge 400	200	936	323	2,547	18,225	17,588
Dodge 600	900	.....	1,423	4,695	.....	21,947
FORD MOTOR	31,707	19,425	35,320	142,444	612,059	768,835
Ford Division	19,329	11,538	22,042	86,337	390,312	493,515
Escort	3,611	.....	5,386	21,851	155,973	137,176
Fairmont	.....	3,621	.....	.....	69,080	23,728
Mustang	3,513	3,670	3,534	8,022	72,681	63,993
LTD/Granada	3,383	4,247	4,009	15,905	66,711	92,058
Thunderbird	3,657	.....	3,691	18,651	21,709	106,914
Crown Victoria/Ford...	1,948	.....	2,217	8,962	.....	47,747
EXP	.....	.....	.....	.....	4,158	1,184
Tempo	3,217	.....	3,205	12,946	.....	20,715
L-M Division	12,378	7,887	13,278	56,107	22,747	275,320
Mercury Total	9,412	5,922	10,454	44,102	169,632	216,975
Lynx	1,616	.....	1,998	7,382	47,123	35,771
Capri	634	1,214	524	1,327	18,182	12,285
Zephyr	.....	1,083	.....	.....	22,748	8,601
Marquis/Cougar	1,627	1,793	1,837	7,551	31,822	39,638
Cougar/XR7	3,215	.....	3,260	16,257	7,245	60,651
Gr. Marquis/Marquis...	1,537	1,832	2,040	8,129	41,598	52,663
LN7	.....	.....	.....	.....	914	290
Topaz	783	.....	795	3,456	.....	6,060
Lincoln Total	2,966	1,965	2,824	12,005	52,115	58,345
Continental ('82)	313	392	274	1,189	10,952	8,519
Lincoln	1,736	963	1,677	7,001	23,517	30,412
Mark VI	917	610	873	3,815	17,646	19,414
GENERAL MOTORS	85,975	84,813	91,169	383,714	1,701,524	1,957,728
Buick Division	20,505	19,405	22,207	93,366	396,014	457,907
Skylark	3,350	4,061	3,344	14,706	72,272	56,418
Skyhawk J	1,361	2,457	1,643	6,196	45,034	36,804
Century	4,041	3,462	4,463	17,975	67,960	81,827
Regal	4,387	4,665	5,179	21,749	102,826	128,362
Buick	6,146	3,705	6,341	27,539	87,524	131,379
Riviera	1,220	1,055	1,237	5,201	20,398	23,117
Cadillac Division	6,156	5,510	5,939	25,642	129,713	168,374
Cimarron	340	252	321	1,341	2,130	10,711
Seville	580	331	589	2,515	12,348	18,002
Eldorado	1,340	1,396	1,364	5,804	33,237	39,465
Cadillac	3,896	3,531	3,665	15,982	81,998	100,196
Chevrolet Division	30,813	27,280	31,318	133,893	533,485	623,029
Chevette	4,103	5,993	4,039	17,841	117,023	94,465
Cavalier	7,984	2,072	8,070	33,706	44,949	138,440
Celebrity	5,140	1,862	5,098	21,169	35,680	61,172
Camaro	5,130	4,839	4,990	20,165	117,106	102,280
Citation	1,440	5,134	1,749	7,241	93,275	57,146
Malibu	3,258	3,254	3,338	14,740	60,807	79,939
Monte Carlo	1,678	2,148	1,688	8,087	35,113	47,112
Chevrolet	1,465	1,375	1,728	7,294	14,253	31,100
Corvette	615	603	618	2,650	15,279	11,375
Oldsmobile Division	19,987	18,265	23,073	93,262	397,930	509,944
Omega	1,710	2,340	1,733	7,019	44,256	33,694
Firenza	1,025	1,845	1,238	4,679	31,396	24,934
Cutlass	5,280	4,878	6,167	25,123	100,366	146,258
Cutlass/Ciera	4,379	2,270	5,161	20,542	63,499	101,116
Oldsmobile	6,733	6,097	7,898	32,212	139,701	183,388
Toronado	860	835	876	3,687	18,712	20,554
Pontiac Division	8,514	14,353	8,632	37,551	244,382	198,474
Acadian†	.....	20	408	1,179	6,775	9,186
2000	2,284	1,749	2,321	10,499	20,952	52,389
1000	957	1,545	1,068	4,040	18,370	21,313
Firebird	2,570	3,400	2,399	10,385	69,303	49,140
Phoenix	730	1,787	405	2,142	26,369	14,499
G. Prix/B'ville ('83)	1,973	3,810	2,031	9,306	82,949	51,947
6000	.....	2,042	.....	.....	19,664	.....
HONDA	1,300	.....	1,126	5,182	.....	18,491
VOLKSWAGEN	2,350	.....	2,306	7,871	49,316	47,410
CHECKER	.....	100*	.....	.....	2,063*	.....
Total Cars, U. S.	136,732	121,578	152,810	634,661	2,709,787	3,320,406

TRUCK PRODUCTION IN U. S.†

	Week Ended July 2, 1983	Week Ended July 3, 1982	Week Ended June 25, 1983	June Est.	Jan. 1 to July 3, 1982	Jan. 1 to July 2, 1983
CHEVROLET	16,983	15,713	18,998	77,316	361,539	397,696
DODGE	2,500	3,052	3,288	12,492	69,288	68,780
FORD	20,042	18,888	22,509	94,423	385,106	461,663
GMC	4,967	5,723	5,369	22,650	133,762	130,877
INTERNATIONAL	1,051	808	1,242	5,168	27,210	25,760
VOLKSWAGEN	.....	.....	.....	.....	8,103	2,079
JEEP	.....	1,600*	1,427	6,323	42,711*	38,494
AM GENERAL	50*	50*	50*	214	1,180*	1,240
MISCELLANEOUS	1,000*	1,000*	1,000*	4,280	30,000*	24,800
Total Trucks, U. S.	46,593	46,834	53,883	222,866	1,058,899	1,151,389

CANADIAN TRUCK PRODUCTION

	Week Ended July 2, 1983	Week Ended July 3, 1982	Week Ended June 25, 1983	June Est.	Jan. 1 to July 3, 1982	Jan. 1 to July 2, 1983
CHRYSLER CORP.	1,985	1,374	2,660	10,664	55,322	68,440
FORD MOTOR	2,484	2,490	3,527	14,929	77,265	72,838
GENERAL MOTORS	4,544	2,954	5,971	25,979	145,936	130,448
INTERNATIONAL	.....	210	.....	.....	6,425	3,216
Total Trucks, Canada	9,013	7,028	12,158	51,572	284,948	274,942
N. American Trucks	55,606	53,862	66,041	274,438	1,343,847	1,426,331

†—Now includes window van production. *—Estimated.
Jeep includes commercial only. AM General includes government-destined vehicles.

CANADIAN CAR PRODUCTION

	Week Ended July 2, 1983	Week Ended July 3, 1982	Week Ended June 25, 1983	June Est.	Jan. 1 to July 3, 1982	Jan. 1 to July 2, 1983
AMERICAN MOTORS	.....	444	327	2,458	14,236	15,532
CHRYSLER CORP.	.....	2,026	.....	5,718	89,943	103,857
FORD MOTOR	7,898	3,107	9,708	33,137	171,684	120,057
GENERAL MOTORS	9,695	6,578	11,833	53,557	200,537	288,355
VOLVO	180	225	180	909	5,547	5,400
Total Cars, Canada	17,773	12,380	22,048	95,779	481,947	533,201
N. American Cars	154,505	133,958	174,858	730,440	3,191,734	3,853,607
N. American Trucks	55,606	53,862	66,041	274,438	1,343,847	1,426,331
North American Cars and Trucks	210,111	187,820	240,899	1,004,878	4,535,581	5,279,938

†—All Acadians and Caravelles are built for sale in Canada. *—Estimated.

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Automotive News

July 11, 1983

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Newest Honda

Sporty CR-X to bow in Japan

Honda Motor Co. has announced a newly developed front-wheel-drive, 2+2 sports car, the Honda Ballade Sports CR-X. Power is by a light, compact, 12-valve cross-flow engine available as a 1.5 or 1.3-liter. Plastics and light metals are used extensively in the new car.

July 1 new-car inventory unchanged at 47-day level

By Richard A. Wright
Assistant Managing Editor

The domestic auto makers built up their inventories of new cars during June, but sales picked up a bit, too, and they opened July with a 47-day supply, unchanged from a month earlier.

The July 1 domestic new-car inventory totaled 1,209,000, up from 1,194,510 a month earlier.

Compared with a year ago, however, the new-car stock has done a complete turnaround. Last year, the industry had 1,364,214 new cars on hand July 1, a 78½-day supply, quite hefty for that time of year.

This year's July 1 stockpile is in much better condition, however, with good balance between the size classes and very few low-volume nameplates in heavy supply.

The only problems were a few lines with inventories low enough to hamper sales, such as the hot-selling '84 Corvette.

• General Motors accounted for most of the inventory gain during June. American Motors also boosted its stockpile slightly, while the other corporate makers entered July with smaller unit counts than they had a month earlier.

GM opened July with a 45-day supply, up from 42 days a month earlier. GM lines in short supply included Corvette, Cutlass Supreme, Olds 88 and 98 and the J-cars, particularly Cavalier.

Ford Motor Co. had a 48-day supply July 1, down from 57 days on June 1. Ford's top-selling Escort entered the month with a meager 27-day supply.

Chrysler Corp. had a 56-day stockpile July 1, up from 53½ days a month earlier, while AMC boosted its slender 45-day supply a month ago to a healthier 55-day stock. Volkswagen of America trimmed its stock of U. S.-built Rabbits to 47 days from 63 days a month earlier.

The July 1 domestic new-car inventory was divided this way: GM, 55.09 percent; Ford Motor Co., 25.72 percent; Chrysler Corp., 14.84 percent; AMC, 2.86 percent, and VWoA, 1.49 percent.

A month earlier, the domestic inventory was divided as follows: GM, 53.93 percent; Ford

Table on Page 69.

Motor Co., 26.38 percent; Chrysler Corp., 15.16 percent; AMC, 2.74 percent, and VWoA, 1.79 percent.

• By size class, the stock of subcompacts, compacts and luxury cars dipped a bit from the preceding month, while intermediates and standards were up. But all movements were small and the inventory remained in remarkably good balance.

The domestic makers had a 44-day supply of subcompacts, a 45-day stock of compacts and a 48-day supply of luxury cars, compared with the month-ago levels of 46, 46 and 49½ days, respectively.

The intermediate stock grew to 52 days from 50 a month earlier, and standards were in 45-

Continued on Page 69, Col. 3

Plastic used for bumpers, body panels

Honda widens sporty coupe market

By John Hartley
Staff Correspondent

TOKYO. — Honda is set to open up the market for small sporty coupes with the completely new Ballade Sports CR-X coupe.

A tiny car, it fits between the City and Civic in size, although the style is sporty and completely different from the hatchbacks.

Exports of the CR-X and City to Europe will begin this fall, and it is possible that the CR-X will be exported to the U. S. However, that depends on the quota situation and market research.

Only 145 inches long, the CR-X has an 87-inch wheelbase and curvy fastback styling. Since the driver and passenger sit very low, the car is only 51 inches high.

There is a deep air dam combined with the bumper at the front, while the headlamps are partially covered by small flaps, as on the Isuzu Impulse. The car has a high waistline with the fastback roof running into the vertical tail panel. Honda claims a drag coefficient of 0.33 and says that lift is also low.

But it is not just in the looks that the body is new. Honda has developed some new plastic panels for the front fenders, the front panel above the grille and also as cladding panels for the bottom halves of the doors.

These panels are injection molded from a new mixture of polycarbonate and ABS developed by Honda and are much cheaper to produce than the panels being used by General Motors for the new Pontiac Fiero, according to Honda materials engineer Yoshitsugu Fujimori.

• In addition, the bumpers are molded from polypropylene, and like the other plastic panels are painted to match the body. Fujimori conceded that there are some difficulties with paint matching, so at present the CR-X is limited to three strong colors — white, blue and red.

Beneath the skin, there are more novelties. First, there are new 1.3- and 1.6-liter engines with aluminum cylinder blocks and heads.

Incorporated in the cylinder heads are Honda's novel three-valve plus CVCC layout first

Continued on Page 69, Col. 4

With World Congress and World Expo

Automotive News Week under way

Automotive News Week in Detroit is in full swing today (July 11), as the second annual Automotive News World Expo brings the world's automotive marketplace to Cobo Hall.

The World Expo, a four-day international buy/sell trade fair, features all aspects of the automotive original equipment business under one roof and is expected to attract thousands of OEM executives.

Automotive News Week got under way Sunday with the opening of the eighth annual Automotive News World Congress at the Westin Hotel in Detroit's Renaissance Center. Keynote speaker was Philip Caldwell, Ford Motor Co. chairman, who discussed the state of the industry.

World Congress registrants, professionals in the auto industry and related businesses, attend 3½ days of seminar sessions dealing with the future of the industry.

World Expo and World Congress participants will gather at the Westin Hotel's Renaissance Ballroom for a Tuesday Evening Gala. After a cocktail reception and dinner, Gala attendees will hear presentations by Ferdinand Beickler, Adam Opel AG managing director, and John Telnack, chief design executive, North American Design, Ford Motor Co.

Beickler's topic will be "Facing the Future in Europe," while Telnack will look at "Automotive Design — Change vs. Progress."

The price for those who are not World Congress registrants is $33, which includes cocktails at 5:30, dinner at 6:30 and the program, which begins at 7:45. For information, call the Automotive News World Congress registration desk at the hotel at (313) 393-4161.

While the Automotive News World Congress is an international forum for analysis of world automotive markets and trends by 36 faculty members who are movers and shakers in the industry and related fields, Automotive News World Expo unites buyers and sellers from around the world.

Cobo Hall, site of the World Expo, has been designated an international free-trade zone during the July 11-14 show dates, allowing overseas exhibitors to ship their products duty-free.

Lighter and lower

High-tech Mark VII

Ford Motor Co.'s 1984 Mark VII is 350 pounds lighter, 1.5 inches lower and 13 inches shorter than the Mark VI. The '84 model has a drag coefficient of 0.38, flush-mounted integrated headlamps and an electronic three-way air-spring suspension system that adjusts for passengers and luggage. Story and another picture are on Page 4.

breaking news

V-6 to power new Nissan Z-car

TOKYO. — The latest version of Nissan's 280-ZX sport coupe, which goes into production this fall, will be powered by a new 3-liter V-6 engine which has been introduced in the Cedric/Gloria models. The new Z-car is said to be shorter and lighter than the present model. Styling features are expected to include gull-wing doors and reclining headlamps, similar to those on the Porsche 928.

Japanese market holds steady

TOKYO.—New-car registrations in Japan numbered 196,223 in May, compared with 198,006 a year earlier, according

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ACQ EDITOR
CONGRESSIONAL INFO SERV
SUITE 800
4520 EAST-WEST HIGHWAY
BETHESDA MD 20814

Will Loan Board exercise warrants?

Decision near on Chrysler stock

By Kathleen Hamilton
Financial Editor

The Chrysler Loan Guarantee Board is believed to be near a decision on whether it will exercise its warrants for Chrysler Corp. stock.

It if does so, the government could make more than $250 million at current stock prices.

The government was granted the warrants for 14.4 million shares of Chrysler common stock at $13 per share as part of the Chrysler bailout package. At the time, Chrysler stock was selling at less than $7. Last week, the company's common stock was trading above $31.

Senator John H. Chaffee, Rhode Island Republican, last week sent letters to the three voting members of the Loan Board, urging them to take advantage of the stock's high price and to divest the government of its interest in Chrysler Corp.

Chrysler wants the warrants back. Chairman Lee Iacocca has called the government's potential profits usurious. Chaffee sees the sum as a "profit to reward the taxpayers" who took "the real risk" in bailing out Chrysler.

Chrysler noted it has paid the government a one-percent annual fee on the loans it guaranteed.

That amounted to $12 million in 1982 when Chrysler had $1.2 billion worth of guaranteed loans outstanding. Chrysler paid off a third of its loans this June, so the fee to the government will be about $10 million this year — less if it pays off more of the debt.

• If the Loan Board decides to take advantage of the Chrysler warrants, it could sell them directly or it could appropriate $187 million to buy the 14.4 million shares. If the latter course is chosen, Congress will have to approve the appropriation.

The Loan Board also could decide to sell or exercise only a portion of the warrants, or it could delay a decision. The warrants are good through 1990.

If the government does exercise its warrants, it would own about 9 percent of Chrysler; there are now about 142 million common shares outstanding. The move would dilute earnings per share by about 10 percent but probably would have little effect on stock prices.

That is because analysts are already looking at fully diluted earnings when they do their earnings forecasts and estimates, according to Joseph Phillippi, vice president of research at Dean Witter Reynolds, Inc. The real question for Chrysler investors is whether earnings and stock prices will peak in 1984 or 1985, he said.

There is further evidence that stock prices would be relatively unaffected by an exercise of the warrants: When Chrysler sold 26 million shares in late March, trading prices fell by only 63 cents.

Phillippi actually sees the possibility of Chrysler stock prices rising if the warrants are exercised: The move would give Chrysler an extra $187 million in immediate cash, he pointed out.

The three voting members of the Loan Board are Treasury Secretary Donald Regan, Federal Reserve Board Chairman Paul Volcker and Comptroller of the Currency Charles Bowsher.

Signs point to action on Clean Air measure

WASHINGTON.—Signals are now coming from Congress that the Clean Air Act may be reauthorized and amended during this Congress and possibly even during this session.

EPA's first head, William D. Ruckelshaus, is once again in charge and the agency has its credibility back. The major stumbling block of last year — acid rain — will now be addressed, because the National Academy of Science has identified emissions from Midwest smokestacks as the major culprit.

While the solution may involve complex balancing of regional and Canadian interests, a solution appears possible without disastrous fights over cause and effect.

This means that unsettled differences over levels of car and truck emissions also will be addressed.

• Last week, California Rep. Henry Waxman, chairman of the House Health subcommittee, introduced his own approach and Vermont Senator Robert Stafford immediately praised the bill. The Waxman bill not only addresses sulfur dioxide in utilities but oxides of nitrogen in power plants and in light and heavy-duty trucks.

Emissions reduction in NOx would be 1.5 million from plants and another 2-3 million from trucks. Thus, the Waxman "acid rain" bill has become the vehicle for all changes in the law.

In the Waxman bill, light trucks weighing 6,000 pounds GVW or less would have a NOx standard of 1.2 grams per mile; those between 6,000 GVW and 8,500 GVW would have 1.7 gpm, and those over 8,500 GVW would have 4.0 per brakehorsepower/hour.

Although the car companies have favored 1.5 NOx for cars and light trucks, the Waxman proposals are not dissimilar to those proposed by EPA in an advanced notice but not expected to emerge until late 1984. (HD truck emission standards for hydrocarbons and carbon monoxide may come from EPA, possibly as early as this September.)

So far, Michigan's John Dingell, who chairs the full committee of which the Waxman subcommittee is but a part, has made no move. Neither has the auto industry but at minimum, a repeat of the request for 7.0 carbon monoxide is reasonable to expect.

Meanwhile, California Republican William Dennemeyer has introduced a bill backed by the aftermarket to restore the two-year or 24,000-mile warranty.

The 5/50 emissions warranty, according to the independent repair shops, has given car dealerships a competitive advantage.

The longer warranty, they claim, not only returns motorists to dealerships for emission work but for additional work found by any enterprising service writer — aided and abetted by EPA, which developed a lengthy list of parts "solely or primarily" intended to reduce emissions.

Sky-Top opens up the Cougar

Sky-Top Sunroofs, Ltd., St. Louis, now offers a power moonroof for the 1983 Mercury Cougar. The electrically operated roof has an automatic wind deflector, a privacy sun shade and a mirror-coated glass panel that is available in either silver or bronze colors. The frame, wind deflector and trim ring are offered with an optional charcoal finish. Sky-Top offers a similar roof for the '83 Ford Thunderbird.

California Datsun deals try 'balloon' financing

By Matt De Lorenzo
Los Angeles Reporter

LOS ANGELES. — An alternate financing package that features a conditional sales contract with a balloon payment is being offered by a number of California Datsun dealers through a program sponsored by Security Pacific National Bank.

Called the Assured Value Program, the package offers buyers the option of lower monthly payments for 36, 48 or 60 months plus one extra balloon payment. The interest rate of these contracts is 15.99 percent.

The balloon payment is pegged at the expected value of the car at the end of the conventional financing term, similar to a residual value on a lease. Generally, the program promises to reduce the regular monthly payment by 25 percent.

When the balloon payment is due, the customer will be offered the option of paying off the car for that price, refinancing the amount or turning the car over to Security Pacific.

"It's just a third way of financing so a guy can reduce his payments," said Jim Bess, owner of Jim Bess Datsun in Canoga Park. Bess is vice president of the Southern California Datsun Dealers Assn.

• The program is being offered directly to Datsun dealer associations in California only and was developed specifically for them by the bank. Security Pacific currently provides a subvention program to Datsun dealers through Nissan Motor Corp. in U.S.A. for 8.8 percent truck financing.

"I think it's a great additional financing package," Bess said, adding that Security Pacific is offering the program exclusively to Datsun dealers for the next two months.

Robert Monteith, a senior vice president with the bank, said, "What we do with the program at the end of the exclusive arrangement hasn't been decided yet."

Monteith said the program not only allows the buyer to obtain a vehicle for a lower monthly payment, but also gives that person all the advantages of ownership.

In addition, the buyer is guaranteed that the car will be worth at least the same amount as the balloon payment and therefore, he or she is protected from downside market conditions except for abnormal wear and tear or excessive mileage.

"It's an example of what's needed in the market today—innovative financing programs to satisfy the needs of the consumer and retailers," Monteith said.

• All cars and trucks in the Datsun line are eligible for the program allowing dealers "to sell from their complete stock," Monteith said.

Datsun dealer Bess said the program "is attractive to first-time buyers by making monthly payments comfortable."

The financing package also allows buyers to move up to more-expensive cars for the same monthly payment as on lower-priced conventionally financed vehicles.

Bess said the new program

Continued on Page 69, Col. 1

Loan rate now 9.8 pct. on some Chrysler models

Chrysler Corp. models previously eligible for 8.7 percent financing became eligible for 9.8 percent financing, effective July 11.

Three lines eligible only for rebates continued to be eligible for them.

Chrysler vehicles getting 9.8 percent financing under a new program that runs from July 11 to Aug. 10 include: '82 TC 3/024; '83 Turismo/Charger (except Shelby); '82/'83 Omni/Horizon; '82/'83 Scamp/Rampage; '82/'83 Champ/Colt (except base models); '82/'83 Sapporo/Challenger; '82/'83 Arrow, Ram 50 pickups, Power Ram 50 (except base model of the Power Ram 50).

Meanwhile, the $300 rebate offered on Reliant/Aries continues unchanged until July 31, when it ends. The $500 rebate on 2WD and 4WD 250 and 350 pickups continues unchanged until Aug. 10, as does the $750 rebate on Ramcharger.

Automotive Hall of Fame honors Henschen

Mark M. Henschen, right, president, Henschen Motor Co. (Oldsmobile-Cadillac), Alliance, O., received the Automotive Hall of Fame's Award for Young Leadership and Excellence. Emil G. Stanley, president of the Youth Committee, made the presentation while Karen Henschen, Mark's wife, looked on. The award was made during the Automotive Hall of Fame's sixth annual dinner at the Hyatt Regency Hotel, Dearborn.

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58th year — No. 4976

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McDonald, Sommer co-chair Concours

General Motors President F. James McDonald and Don Sommer, president, American Arrow, Troy, Mich., try out the rear seat of a 1931 Cadillac V-16 Phaeton. The car is one of nearly 150 classic, antique and sports cars that will be on display at the fifth annual Meadow Brook Concours d'Elegance Sunday, Aug. 7 at Meadow Brook Hall in Rochester, Mich. McDonald and Sommer are co-chairmen of the event.

Chrysler names top 4 officers to new 'Office of Chairman'

Chrysler Corp. last week set up an Office of the Chairman "to plan and direct the company's operations." Named to the office were the corporation's four top officers.

They are Chairman Lee Iacocca, 58; Vice Chairman Gerald Greenwald, 47; Harold K. Sperlich, 53, president, North American Automotive Operations, and Bennett E. Bidwell, 56, executive vice president, sales and marketing.

The formation of the new Chrysler office recalled a similar action at Ford Motor Co. in 1977. Ford's three-man group was called the Office of the Chief Executive. It was set up to spread around some of the responsibilities of Chairman Henry Ford and to ease the pathway for his successor.

Ford retired as chief executive in 1979 and as chairman in 1980.

Ironically, Iacocca was a member of the Ford Office of the Chief Executive. He was president of the company at that time. Henry Ford II fired Iacocca in July of 1978 and he went to Chrysler in November of that year. The third member of the Ford group was Philip Caldwell, now chairman.

Chrysler's move last week stirred speculation as to whether Iacocca is considering departure or at least a lessening of his duties. Iacocca will be 59 in October.

The departure of Chrysler's saviour does not appear to be imminent, although the formation of the new office is a realistic sharing of duties with an eye toward choosing a successor when Iacocca decides to retire or pursue other activities.

At the moment, Greenwald seems to be the frontrunner for the chairmanship. Chrysler also could name a president at any time; the post has been vacant since 1981. Sperlich and Bidwell are the top contenders. All are former Ford executives.

• Speaking to reporters after the Chrysler annual Shareholders' meeting in May, Iacocca said he planned to stay with the company "four or five quarters" after Chrysler is profitable and the guaranteed loans are repaid.

Chrysler made a record profit in the first quarter of this year, and several analysts expect the company to continue to be profitable throughout the year.

The first of the loan guarantees ($400 million) was repaid in June; $800 million worth of government-backed loans remain outstanding, but at relatively low interest rates so Chrysler may not want to rush to pay them off. At least one analyst, however, has predicted that Chrysler will pay them off before the end of 1983.

In announcing the Office of the Chairman, Iacocca said: "This type of corporate organization and leadership will be required as Chrysler returns to being a privately financed company with major opportunities in the North American automotive market.

"The Office of the Chairman will direct and coordinate the major functions of the company, and each member of the office will concentrate on those activities for which he is most qualified."

He added that the office has been established "to provide a closely coordinated senior management team to work together on all matters pertaining to the corporation."

In the new setup, functions reporting directly to Iacocca are Corporate Strategic Planning, the General Counsel's Office and the Personnel and Organization Office. Iacocca, of course, is chief executive officer of Chrysler.

Greenwald now is responsible for the Finance Office in addition to his former duties as head of Corporate Staff and International.

Sperlich continues to be responsible for the Manufacturing Group, Product Development organizations and the Procurement and Supply Office.

Bidwell is responsible for the Sales and Marketing Group and the Public Affairs Office.

Bidwell also was elected to the Chrysler board of directors. He joined the company June 2 after two years as president of Hertz Corp. Before that, Bidwell was a Ford Motor Co. vice president and was a close associate of Iacocca's during Iacocca's years with Ford.

'84 GM price boosts slated to be 1-3 pct.

By Joseph Bohn
Marketing Editor

General Motors continued the trend toward moderate '84 price hikes, with its lowest increases due on small cars, first seen with Chrysler (Automotive News, June 20).

Ford, which had been prepared to announce fleet price protection increases, reworked its numbers after GM's announcement. GM's low increases caught Ford off guard. The company expects to make an announcement this week.

GM, in a price assurance letter to cover '84 fleet orders, hiked overall prices over 2 percent, on a sales-weighted basis.

Its smallest increases of 1 percent, like those at Chrysler came on subcompact Chevrolet Chevette/Pontiac 1000 models and X-cars — Chevrolet Citation, Oldsmobile Omega, Pontiac Phoenix and Buick Skylark. However, these cars aren't doing all that much volume.

(Chrysler held the line on subcompacts and protected compact K-cars against any increase over 1.4 percent.)

GM's J-body Chevrolet Cavalier, Pontiac 2000, Oldsmobile Firenza and Buick Skyhawk and the A-body Chevrolet Celebrity, Pontiac 6000, Oldsmobile Cutlass Ciera and Buick Century came in for 2 percent price protection.

All other cars, which include the larger models, came in for 3 percent price protection. The '84 Corvette price remains unchanged.

On the truck side, the Chevrolet S-10 and GMC S-15 compact pickups received one percent price protection and other light trucks, including the Chevrolet S-Blazer and GMC Jimmy, were protected against hikes over 2.5 percent.

The fleet price-protection announcements are intended to cover dealers against any increases on cars and trucks which may be subsequently announced when firm '84 prices are disclosed. They are a good barometer of how final '84 pricing will end up.

• GM didn't spell out any increases for optional equipment, leading to speculation that it will hold the line there until later in the fall.

Harvey Heinbach, analyst with Merrill Lynch, feels that a lot can still "be done in equip-

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Gain in Service Index biggest in 49 months

By Francis J. Gawronski
Service Editor

Service and parts volume at the nation's new-car dealerships took off in May to register its biggest monthly advance in 49 months, according to the Automotive News Service Index.

In May, dealers' service and parts business amounted to 115.1 percent of the business recorded in the same month last year.

The increase in May was the biggest since April, 1979, when the combined parts and service business at dealerships was 15.4 percent over the same month the previous year.

The increase in shop business in May also marked the third consecutive month in which volume has shown an increase over the comparable year-earlier period.

All five indicators used in the Service Index were up impressively, with gross profit on all labor, parts and accessory sales — the most important indicator from the dealer's viewpoint — topping last year's figure by 19.8 percent, the biggest increase since June, 1980, when profits topped the year-ago figure by 21.2 percent.

The second largest increase in May was recorded by shop parts sales (those used on both customer-paid and warranty repairs), up 19.1 percent, followed by sales of all parts and accessory sales, which climbed 15.5 percent over the year-ago figure.

Total labor sales (customer-paid and warranty) topped last year's figure by 13.7 percent, while repair orders written were up 10.1 percent, the first increase since December, 1982, and the biggest jump over the year-earlier figure since October, 1978, when repair orders topped the year-earlier total by 10.2 percent.

Figures used in the Automotive News Service Index are averages compiled from dealer reports on shop operations from a cross-section of the nation's new-car dealers.

Because of the sharp increase in shop volume in May, service and parts business for the January-May period jumped to 106.3 percent of the volume recorded in the same period the year before. Business in dealers' shops for the January-April period of 1983 amounted to 103.8 percent of the year-earlier volume.

The strongest indicator in the January-May period was gross profits, up 8.4 percent over the year-ago period, while shop parts sales advanced 6.7 percent.

Labor sales during the January-May period were up 5.9 percent, while sales of all parts and accessories jumped 5.6 percent.

Repair orders written for the five-month period of 1983 topped last year's total for the same period by 0.6 percent.

SERVICE INDEX 115.1*

	May, '83 vs. May, '82	5 mos., '83 vs. 5 mos., '82
Gross Profit on All Labor and P&A Sales	+19.8%	+ 8.4%
Repair Orders Written	+10.1%	+ 0.6%
Total Labor Sales (Customer & Warranty)	+13.7%	+ 5.9%
Shop Parts Sales (Customer & Warranty)	+19.1%	+ 6.7%
Sales of All Parts and P&A	+15.5%	+ 5.6%

*—Survey by Automotive News shows that dealers' service and parts business in May, 1983, was 115.1 percent of business in May, 1982. Service business in the five months of 1983 was 106.3 percent of business in the corresponding period in 1982.

Mercury LN7 will bow out

Ford to offer turbo on EXP for '84

Ford is looking to enhance the performance image of the two-seat EXP coupe by offering a turbo version for 1984.

EXP will be the only two-seat model sold by Ford as the Lincoln-Mercury LN7 is being discontinued. The new EXP, however, incorporates the bubble hatchback used on the LN7.

Using an Ishikawajima-Harima Industries (IHI) turbocharger producing eight pounds of boost, the EXP's 1.6-liter four-cylinder engine is rated at approximately 118 horsepower. The turbo unit is a blow-through type located upstream of multi-port fuel-injection system. The power plant has an 8:1 compression ratio, down from 9.5:1 of the standard high output motor allowing the use of regular grade, 87-octane, unleaded fuel.

EXP Turbo models will be available with a five-speed overdrive manual transaxle only, while standard EXPs equipped with the HO 1.6-liter engine will be offered with a choice of five-speed manual or three-speed automatic transaxles.

Exterior styling of EXP Turbo models feature a front air dam and rear spoiler, larger Turbo lettering on the doors and a unique C-pillar applique.

Missouri lawmakers OK $20 million Chrysler loan

JEFFERSON CITY, Mo. — At a time when many bond issues are having trouble, the Missouri Legislature approved a bill making Chrysler eligible, upon Gov. Christopher Bond's signature, for $20 million in state aid to help the company retool its Fenton plant for its new G24 sports car.

It is expected the funds will be utilized for air pollution controls.